service from developing new services to take advantage of planned but not publicly known changes in the underlying network. The software which permits new services to be offered is part of the underlying network. Therefore, Section 10.6 of the Ameritech's Statement is inconsistent with both express terms of the MTA and the policy of fair competition underlying it.

Section 14.1 of the Statement requires both parties to provide dialing parity "as required under Section 251(b)(3) of the Act, except as may be limited by Section 271(e)(2) of the Act." The former requires dialing parity while the latter addresses implementing intraLATA dialing parity at the same time the incumbent gains authority to offer interLATA services with certain exceptions. In Michigan, the Commission has already ordered Ameritech to implement intraLATA toll dialing parity. MPSC Case No. U-10138. Thus, to the extent it purports to excuse Ameritech from offering dialing parity until it obtains authority to offer interLATA service, this provision is not consistent with existing orders of the MPSC (or the requirements of the Federal Act).

Section 16.1.5 limits the definition of "rights-of-way" to legal interests of Ameritech in the property of others such as easements and licenses. This definition would preclude a requesting carrier from gaining access to any strip of land used by Ameritech for trenched cable if the strip of land used for the network distribution facilities is owned by Ameritech rather than a third party. The clause submitted by Ameritech would also exclude use of a strip of land used by Ameritech for its telephone lines if the land happens to be leased by Ameritech. This definition is inconsistent with the definition of a right-of-way in Michigan. Land owned or leased by a utility or carrier is not excluded from the definition of a right-of-way on the basis of the nature of the ownership interest. Westman v. Kiell, 183 Mich App 484; 455 NW2d 45 (1980). A right-of-

way is the physical pathway used by a telephone company or utility for its lines and other distribution facilities. Whether that physical pathway is owned outright, is leased, or is held as an easement, license or other legal interest is irrelevant under Michigan law.

II. THE STATEMENT SERVES NO PURPOSE AND HAS NO RELEVANCE UNDER THE ACT.

When Congress passed the Telecommunications Act of 1996, the Regional Bell Operating Companies ("RBOCs"), including Ameritech, claimed that the Act would permit their entry into the interLATA services business by 1) establishing conditions for local service entry which, in turn, 2) would result in actual facilities-based competition and choices for local service customers which, in turn, 3) would justify Ameritech's entry into the long distance business. In stark contrast, this filing appears to be a first step in an already foreclosed effort by Ameritech to gain entry into the long distance market while avoiding the explicit facilities-based competition requirement of Section 271(c)(1)(A) of the Federal Act.

A. Ameritech May Not Use The Statement As Part Of A "Track B" Application To Enter The InterLATA Market.

Ameritech seeks approval of its Statement[5] and has not yet made a request for in-region interLATA entry. However, the only reason for this filing of the SGAT is to permit Ameritech some day to seek interLATA entry under so-called "Track B" criteria of Section 271(c)(1)(B).[6] Track B, however, is unavailable to Ameritech.

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[5]Under Section 252(f)(3), Ameritech's Statement is deemed approved unless the state commission disapproves it within 60 days of filing.

[6] Ameritech's SGAT filing in Ohio was accompanied by press releases associating it with accelerated interLATA entry, rather than expediting local entry.

Under Section 271 of the Telecommunications Act, the interLATA entry process begins with a potential new local service provider's request for network "interconnection," as the term is defined in Section 251, generally, for provision of network elements on an "unbundled" basis, for interconnection of networks, and for resale of local services. Under Section 251, the request for interconnection begins a 270 day period in which carriers negotiate the terms of interconnection, agree where they can, and submit the remaining issues to state commissions for arbitration. At the end of the 270 day period, the negotiated/arbitrated interconnection agreement is finalized subject to a 30-day review by the Commission to assure that the agreement satisfies the requirements of Section 251 (in the case of arbitrated terms and conditions) or that the agreement is non-discriminatory and in the public interest (in the case of negotiated agreements) under Section 252(e).

The Interconnection Agreements provide the terms for entry by new local service providers, and this new entry introduces competition into local service markets now dominated by Ameritech. Indeed, the Act envisions that actual competition by providers of local service, predominantly using their own facilities, will result. When the RBOC believes it can demonstrate that one or more interconnection agreements satisfies the "competitive checklist" set forth in Section 271(c)(2)(B) and that actual facilities-based competition exists, it then reasonably may apply to the FCC for permission to enter the interLATA market. This then is the road to RBOC interLATA entry: 1) requests for interconnection, 2) full implementation of the competitive "checklist" of interconnection terms, 3) actual facilities-based competition, and 4) if then consistent with the public interest, convenience, and necessity, RBOC interLATA entry. This sequence of events is found in Section 271(c)(1)(A) and has been referred to by Ameritech as "Track A."

This Track A process is being followed in Michigan. Several parties have sought interconnection, negotiated with Ameritech and, for those agreements not fully negotiated, are now having final issues resolved by the arbitration process.[7] These carriers will use the interconnection agreements to enter the local exchange business. At some time in the future, if Ameritech demonstrates that facilities-based competition exists, that its interconnection agreements satisfy the "competitive checklist," that it has fully implemented that checklist, and that such entry serves the public interest, then Ameritech may be authorized to enter the interLATA market under Track A.

In contrast, the process Ameritech is pursuing with this filing is a narrowly targeted exception included in the Act to address a possible, but unlikely, contingency. Because the interLATA entry process begins with a new carrier's request for interconnection, RBOCs were concerned that major carriers could thwart their long distance entry by refraining from filing requests for interconnection. It was suspected (unreasonably as events turned out) that carriers would seek to protect their long distance markets to such an extent that they would decline to enter the local market and thus seek to forestall indefinitely an RBOC's entry into the long distance business.

In response to that specific concern, Congress included Section 271(c)(1)(B), the so-called "Track B" process for interLATA entry. Under "Track B," if no carrier presents a request for interconnection, or the requesting carriers do not pursue those requests (as explained below), Ameritech is then authorized to seek to enter the long distance market without interconnection agreements and without necessarily satisfying the explicit facilities-based competition requirement of Track A.

[7]Ameritech is currently in arbitration with AT&T, MCI, Sprint, and TCG.

Track B is narrowly tailored to a specific circumstance. Section 271(c)(1)(B), "Failure to Request Access," begins as follows:

> (B) Failure to Request Access. - A Bell operating company meets the requirements of this subparagraph if, after 10 months after the date of enactment of the Telecommunications Act of 1996, no such provider has requested the access and interconnection described in paragraph (A) before the date which is 3 months before the date the company makes its application under subsection (d)(1), and a statement of the terms and conditions that the company generally offers to provide such access and interconnection has been approved or permitted to take effect by the State commission under section 252(f). 47 USC 271(c)(1)(B)

Thus, in the event of collective "Failure to Request Access" by potential entrants to local networks in the first 10 months of the Act, Ameritech would have had an opportunity to show that the failure of competitive choices for local service customers is due wholly to the failure of any potential new entrant to seek an interconnection agreement and compete in the local exchange market. In those circumstances, Congress chose not to foreclose all opportunity for interLATA entry, allowing a Track B application subject to, among other things, the FCC's public interest finding.

Track B is unavailable in Michigan because carriers have not remained on the sidelines. In the Act's first two months alone, MCI, AT&T, Sprint and TCG have aggressively pursued interconnection agreements and are currently in arbitration. Ameritech boasts of other companies that have already negotiated interconnection agreements on a voluntary basis all within the 10 month period. Clearly, the "Failure to Request Access" predicate to Track B entry cannot be used in Michigan.[8]

[8] The second part of the "Failure to Request Access" section of the Act continues the same theme. There was concern, unreasonable as it turned out, that all potential competitors would thwart Ameritech entry by starting the

Potential new entrants have not held back. AT&T filed its request less than three weeks after the Act became effective. MCI filed shortly thereafter. The parties have diligently pursued the negotiation process, with TCG, AT&T, and MCI and more recently Sprint currently in the arbitration process. At a minimum, AT&T and MCI have sought agreements covering the entire competition checklist of Section 271(c)(2)(B). Ameritech has not presented a "bad faith" arbitration issue in any of the proceedings, and plainly there is no basis for a claim that these carriers have adopted a strategy of purposefully not implementing the terms of an interconnection agreement.

Under the circumstances, the Statement has no legitimate purpose. In the midst of concluding the Sections 251 and 252 negotiations and arbitration process, Ameritech has sought to use a foreclosed Track B process by filing the SGAT in the face of carriers going through the Track A process.[9] In the circumstances where there are already negotiated agreements and there will be arbitrated agreements before the end of November -- the Michigan circumstances -- the Statement of Generally Available Terms is simply not relevant.

B. Consideration of the Statement Wastes Valuable Commission Resources and Unnecessarily Duplicates Effort.

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process of asking for interconnection and then either failing to negotiate an interconnection agreement in good faith or, once the agreement is negotiated, purposefully refraining from implementing the agreement.

This, too, is purely hypothetical in Michigan. The arbitrations do not include, to AT&T's knowledge, "good faith" issues. Further, there is no evidence now that providers will fail to implement their interconnection agreements.

[9] It is clear that Section 252 made provision for Statements of Generally Available Terms to allow Bell Operating Companies to make Section 271 applications in the event that other carriers had not sought access and interconnection under Sections 251 and 252. Thus, while Section 252 generally addresses the obligations of "incumbent local exchange carriers" with respect to negotiations and arbitrations (see, e.g., Sec. 252(a)), Section 252(f) provides for Statements only by a "Bell operating company" -- because only Bell Operating Companies are subject to Section 271.

Ameritech's Statement is especially improper because it would require the Commission to duplicate the determinations it will make in the pending arbitration proceedings. The form of Ameritech's SGAT highlights the point. Although Movants are still reviewing the details, the SGAT appears to be largely the same document as the interconnection agreement between AT&T and Ameritech now in arbitration before the Commission.[10] As an interconnection agreement, its terms will be settled (with outstanding issues resolved by the arbitrators) on November 22, and the Commission will have an additional thirty days to determine whether it satisfies the requirements of the Federal Act. Thereafter, it must be "fully implemented," and become the basis of actual facilities-based competition, before Ameritech reasonably could submit it to the FCC as the predicate for in-region interLATA entry.

By comparison, when filed as a "Statement of Generally Available Terms," the arbitrators will not make a determination, the Commission will have less time to determine whether it is consistent with the Act, and Ameritech will maintain that, as a predicate to interLATA relief, it need never become "fully implemented," nor result in actual competition. It is plainly absurd that the same document could operate so differently depending on its title page.

Thus, at the expense of this Commission and the rest of the industry -- which are absorbed with the final stages of the arbitrations -- Ameritech has filed its SGAT, apparently only to distract resources from the arbitrations and end run around the statutory requirements for interLATA entry. Hence, the Statement should be specifically and summarily disapproved.

Conclusion

[10] See Affidavit of Philip S. Abrahams. A faxed signed Affidavit is attached. The original is being sent by overnight delivery for immediate filing.

The SGAT is defective because it does not contain terms generally offered in the market, or even that Ameritech unconditionally commits will be generally -- and actually -- offered in the future. Moreover, the SGAT's failure on its face to meet the statutory requirements precludes its approval. The federal Act does not permit a Statement to be approved if only some of the provisions are consistent with the statutory requirements or if Ameritech promises to fix them in the future. If any term in the document is not consistent with the relevant standards -- and numerous terms in this Statement are inconsistent -- the application for approval must be denied. There is, moreover, no other reason for the Commission to expend further resources considering this Statement, which is patently inadeaute under federal law and contrary to Michigan Statutory and Commission-made law, especially in the midst of other implementation work required by the Act within this compressed time period. For the reasons set forth above, the Commission should summarily disapprove Ameritech's Statement. Finally, the SCAT fails to conform to either the procedural requirements set by the Commission establishing Case No. U-11104 or the substantive requirements of the Michigan Telecommunications Act and commission orders, issued thereunder. For all of these reasons, AT&T's Motion for Summary Disposition should be granted.

RELIEF

WHEREFORE, AT&T Communications of Michigan requests this Court grant AT&T's Moiton for Summary Dispositon and deny and dismiss Ameritech's Application.

DATED: October 11, 1996

Respectfully submitted,

AT&T COMMUNICATIONS OF MICHIGAN, INC.

By: _____

George Hogg, Jr. (P15055)
Arthur J. LeVasseur (P29394)
Sidney M. Berman (P30701)
Fischer, Franklin & Ford
3500 Guardian Building
Detroit, MI 48226
(313) 962-5210

Cheryl L. Urbanski (P55005)
AT&T Communications of
Michigan, Inc.
4660 S. Hagadorn Rd., Suite 640
East Lansing, MI 48823
(517) 332-9608

Attorneys for Petitioner

MCI TELECOMMUNICATIONS CORPORATION

By: _____

Joan Campion
205 North Michigan Avenue
Suite 3700
Chicago, IL 60601
(312) 470-4943
Facsimile: (312) 470-4929

By: _____

Albert Ernst (P34059)
DYKEMA GOSSETT
800 Michigan National Tower
Lansing, MI 48933
(517) 374-9155
Facsimile: (517) 374-9191

Attorneys for MCI Telecommunications Corporation

COMPETITIVE TELECOMMUNICATIONS ASSOCIATION

By: _____

Norman C. Witte (P40546)
115 W. Allegan Avenue
Tenth Floor
Lansing, Michigan 48823-1712
(517) 485-0070
Facsimile: (517) 485-0187

Linda L. Oliver
HOGAN & HARTSON L.L.P.
555 Thirteenth Street, N.W.
Washington, D.C. 20004
(202) 637-6577
Facsimile: (202) 637-5910

Attorneys for CompTel

_____
Rich Kowalewski
Michael G. Smith
8140 Ward Parkway, 5E
Kansas City, MO 64114
(913) 624-6828

Attorneys for Sprint Communications Company L.P.

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STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion, to consider Ameritech Michigan's compliance with the competitive checklist in Section 271 of the Telecommunications Act of 1996	))))))	Case No. U-11104

Affidavit of Philip S. Abrahams

Philip S. Abrahams, under oath, states as follows:

1. I am a Senior Attorney for AT&T and have been responsible for negotiating and drafting the Interconnection Agreement between AT&T Communications of Michigan, Inc. and Ameritech Michigan under Sections 251 and 252 of the Telecommunications Act of 1996 which has been submitted to arbitration before the Commission in Case No. U-11151, and am therefore familiar with that document.

2. I have also reviewed the Statements of Generally Available Terms ("SGAT") under Sections 251 and 252 of the Telecommunications Act of 1996 which has been filed by Ameritech Michigan in these proceedings.

3. Based on my review, I have determined that the SGAT is structurally identical to the Interconnection Agreement and contains substantially similar terms, except for those items which have been submitted to arbitration in Case No. U-11151.

This ends my statement.

Philip S. Abrahams

Sign and sworn to before me
this 11th day of October, 1996.

Margaret M. Flucushy

444 Michigan Avenue
Room 1750
Detroit, MI 48226
Office 313-223-8033
Fax 313-496-9326

Craig A. Anderson
Counsel

Ameritech

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October 17, 1996

Ms. Dorothy Wideman
Executive Secretary
Michigan Public Service Commission
6545 Mercantile Way, P.O. Box 30221
Lansing, MI 48909

Re: MPSC Case No. U-11104.

Dear Ms. Wideman:

On October 4, 1996, Albert Ernst submitted a letter herein on behalf of his client, MCI, concerning reply comments to Ameritech Michigan's application for approval of a Statement of Generally Available Terms and Conditions (General Statement). Ameritech Michigan filed its application for approval of the General Statement on September 30, 1996. Based on the Commission's August 28, 1996 order, reply comments from interested parties would be due within 14 business days; i.e., by October 18, 1996.

Mr. Ernst expressed concern that Ameritech Michigan did not file a notice of intent to file information 5 business days before submitting its application for approval of the General Statement. However, in the Commission's August 28, 1996 order, a notice of intent to file information is required for the filing of information concerning Ameritech Michigan's compliance with the competitive checklist. (Page 3, Paragraph 2) The application for approval of the General Statement was not submitted to this Commission in this docket as a demonstration of Ameritech Michigan's compliance with the competitive checklist, but rather, was submitted pursuant to Paragraphs 5 and 6 of that order, which permits parties to file other information at any time in this docket. While Ameritech Michigan believes that the General Statement is appropriately part of the complete record which should be before this Commission in its consideration of general market conditions and checklist compliance, the application for approval of the General Statement is a separate process from the checklist compliance mandated by Section 271 of the federal Act. The filing of Ameritech Michigan's application for approval of the General Statement was made in this docket after consultation with the Commission Staff concerning the appropriate procedure, as was specifically directed by the Commission's August 25, 1996 order. (Page 4)

Therefore, Ameritech Michigan believes it is clear that there was no requirement for a notice of intent 5 days before filing.

In addition, Mr. Ernst's letter raises a concern regarding the conclusion of protective arrangements for information supporting the filing. Ameritech Michigan believes that the language requiring that protective arrangements be

concluded prior to filing relates to the protective arrangements that are required to be concluded with your office; i.e., the submission of the documents under confidential cover.

However, in order to address this concern, Ameritech Michigan proposes the following.

First, Ameritech Michigan would hereby request that the Commission issue a protective order in this docket consistent with the terms and conditions of the protective orders recently approved in Case Nos. U-10860, U-11155, and U-11156, as amended by the Commission's order of October 16, 1996. Although such an order was entered in that docket by Administrative Law Judge Mace and a similar order was recently entered by Administrative Law Judge Frank Strother in Case No. U-11148, there is no Administrative Law Judge assigned to this docket with whom arrangements could be made to enter such a protective order.

Second, to facilitate getting this information to other parties as soon as possible, Ameritech Michigan is willing to provide the information immediately to other parties who, on an interim basis, agree to be bound by the terms of the protective order entered in those other dockets. Accordingly, Ameritech Michigan will forward the confidential information submitted in connection with this docket to any party whose counsel provides a statement to the following effect:

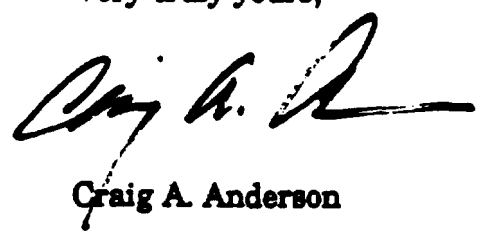
> "Counsel for the undersigned party agrees that it will accept the confidential information from Ameritech Michigan submitted in connection with Case No. U-11104 and treat that information in a manner consistent with the protective order issued in Case Nos. U-10860, U-11155, and U-11156, as amended by the Commission's October 16, 1996 order therein, until a protective order is entered herein."

Ameritech Michigan will accept a facsimile request from the parties to this effect, followed by an original signature, in order to forward the information via overnight delivery.

As this arrangement will effectively make the information available to the parties, Ameritech Michigan would have no objection to extending the comment period on Ameritech Michigan's original filing from the original 14 business days to 14 business days from Monday, October 21, 1996 (i.e., by November 8, 1996). Although the original time period for response was established by the Commission's August 28, 1996 order, Ameritech Michigan would not object on timeliness grounds to any comments made in such a time frame. Therefore, no party would be prejudiced by any delay in obtaining the confidential information.

I hope this resolves any issues raised by Mr. Ernst's letter. If you require any additional information, please let me know.

Very truly yours,



Craig A. Anderson

cc: All Counsel of Record

CAA:jkt

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion, to consider Ameritech Michigan's compliance with the competitive checklist in Section 271 of the Telecommunications Act of 1996.	)))))	Case No. U-11104

PROOF OF SERVICE

Craig A. Anderson, being first duly sworn, deposes and states that on the 17th day of October 1996, he served a copy of Ameritech Michigan's letter regarding proceedings upon the parties listed on the attached service list via facsimile.

Further, deponent sayeth not.

CRAIG A. ANDERSON

Subscribed and sworn to before me
this 17th day of October, 1996.

JACQUELINE K TINNEY
Notary Public, Wayne County, MI
My Commission Expires July 17 1998

SERVICE LIST

MPSC CASE NO. U-11104

Roderick S. Coy
Stewart A. Binke
Clark Hill, PLC
200 N. Capitol Avenue, Suite 600
Lansing, MI 48933
Representing Teleport
Fax: 517-484-1246

David Voges
Assistant Attorney General
6545 Mercantile Way, Suite 15
Lansing, MI 48911
Representing MPSC Staff
Fax: 517-334-7655

Orjiakor N. Isiogu
Assistant Attorney General
Special Litigation Division
P.O. Box 30212
Lansing, MI 48909
Representing Michigan Attorney General
Fax: 517-373-9860

Todd J. Stein
Brooks Fiber Communications
2855 Oak Industrial Drive, NE
Grand Rapids, MI, 49506
Representing Brooks Fiber
Fax: 616-224-5110

Glen A. Schmiege
Mark J. Burzych
Foster, Swift, Collins & Smith
313 South Washington Square
Lansing, MI 48933
Representing MECA
Fax: 517-371-8200

Albert Ernst
Dykema Gossett
800 Michigan National Tower
Lansing, MI 48933
Representing MCI
Fax: 517-374-9191

Norman Witte
115 W. Allegan
Lansing, MI 48933
Representing WorldCom
Fax: 517-485-0187

Harvey J. Messing
Sherri A. Wellman
Loomis, Ewert, Parsley,
Davis & Gotting, PC
232 S. Capitol Ave., Suite 1000
Lansing, MI 48933
Representing Climax Telephone Company
Fax: 517-482-7227

Richard D. Gamber, Jr.
Michigan Consumer Federation
115 W. Allegan, Suite 500
Lansing, MI 48933
Representing Michigan Consumer Federation
Fax: 517-487-6002

Richard P. Kowalewski
Sprint Communications Company L.P.
8140 Ward Parkway, 5E
Kansas City, MO 64114
Representing Sprint
Fax: 913-624-5681

David E. Marvin
Fraser, Trebilcock, Davis and Foster, PC
1000 Michigan National Tower
Lansing, MI 48933
Representing MCTA
Fax: 517-482-0887

Larry Salustro
AT&T Communications, Inc.
4660 S. Hagadorn Rd., 6th Fl.
East Lansing, MI 48823
Representing AT&T
Fax: 312-230-8210

Katherine E. Brown
U.S. Department of Justice
Antitrust Division
555 4th Street, N.W.
Washington, DC 20001
Representing U.S. Department of Justice
Fax: 202-514-6381

Andrew O. Isar
Telecommunications Resellers Assn.
4312 92nd Ave., N.W.
P.O. Box 2461
Gig Harbor, WA 98335
Representing Telecom. Resellers
Fax: 206-265-3912

Timothy P. Collins
Continental Cablevision, Inc.
26500 Northwestern Hwy., Suite 203
Southfield, MI 48076
Representing Continental Telecommunications
Fax: 810-204-1890

Gayle Teicher
Federal Communications Commission
Policy Division, Common Carrier Bureau
1919 M Street, N.W., Room 544
Washington, DC 20554
Representing FCC
Fax: 202-418-1413

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion, to consider AMERITECH MICHIGAN's compliance with the competitive checklist in Section 271 of the Telecommunications Act of 1996. Case No. U-11104

MPSC STAFF'S CO...

MOTION TO EXTEND BY ONE DAY THE FILING DATE FOR REPLIES OR COMMENTS TO AMERITECH'S APPLICATION FOR APPROVAL OF ITS STATEMENT OF GENERALLY AVAILABLE TERMS IN DOCKET NO. U-11104

Michigan Public Service Commission Staff, by its counsel, files this motion requesting the Commission to extend by one business day the filing date for replies or comments to Ameritech's Application for Approval of its Statement of Generally Available Terms in Docket No. U-11104.

In support of this motion, the Commission Staff states as follows:

1. Pursuant to the Commission's Order Establishing Procedures dated August 28, 1996, interested parties were given 14 business days to file replies or comments related to Ameritech Michigan's filing in this docket.

2. Ameritech's Application for Approval of its Statement of Generally Available Terms was filed on September 30, 1996. Thus, replies or comments to this filing would in the ordinary course be due on October 18, 1996, fourteen business days later.

3. MPSC Staff was unable to file its replies to Ameritech's filing on October 18, 1996 due to the unanticipated obligations of undersigned counsel and William J. Celio, Director of the Communications Division, to appear in federal court on October 18, 1996, in Ameritech Michigan v John G. Strand et al, U.S.D.C., Western District Docket No. 5:96-CV-166.

4. MPSC Staff believes the one day extension requested in this motion is in the public interest. Further, the one day extension of this deadline will not harm or prejudice any party to this case and will not delay the resolution of this case.

WHEREFORE, the MPSC Staff requests that the 14 business day filing date be extended by one business day to permit Staff to file Response to Ameritech's Application for Approval of its Statement of Generally Available Terms.

Respectfully submitted,

MICHIGAN PUBLIC SERVICE COMMISSION STAFF

David A. Voges (P25143)
Assistant Attorney General
Public Service Division
6545 Mercantile Way, Suite 15
Lansing, MI 48911
(517) 334-7650 (office)
(517) 334-7655 (fax)

DATED: October 21, 1996

tb/9653857/mot to extend

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion, to consider AMERITECH MICHIGAN's compliance with the competitive checklist in Section 271 of the Telecommunications Act of 1996.

Case No. U-11104

MPSC STAFF RESPONSE TO AMERITECH APPLICATION FOR APPROVAL OF IT'S STATEMENT OF GENERALLY AVAILABLE TERMS

On September 30, 1996, Ameritech Michigan (AM) filed, pursuant to § 252(f) the Federal Telecommunications Act of 1996 (FTA), an application for approval of a statement of generally available terms and conditions that it offers within Michigan to comply with the requirements placed on telecommunication carriers in § 251 of the FTA. The only purpose for such a statement is to permit AM to achieve authority to enter the in-region interLATA telecommunications market.

The FTA permits Ameritech to enter the in-region interLATA market in one of two ways as presented in § 271(c)(1)(A) [Track A] or § 271(c)(1)(B) [Track B]. Section 271 provides, in part, as follows:

> (c) Requirements for Providing Certain In-Region InterLATA Services.—
>
> (1) Agreement or statement.—A Bell operating company meets the requirements of this paragraph if it meets the requirement of subparagraph (A) or subparagraph (B) of this paragraph for each State for which the authorization is sought.
>
> (A) Presence of a facilities-based competitor.—A Bell operating company **meets the requirements of this subparagraph if it has entered into one or more binding agreements that have been approved under section 252 specifying the terms and conditions under which the Bell operating company is providing access and interconnection to its network facilities for the network facilities of one or more unaffiliated**

competing providers of telephone exchange service (as defined in section 3(47)(A), but excluding exchange access) **to residential and business subscribers**. For the purpose of this subparagraph, such telephone exchange service may be offered by such competing providers either exclusively over their own telephone exchange service facilities or predominantly over their own telephone exchange service facilities in combination with the resale of the telecommunications services of another carrier. For the purpose of this subparagraph, services provided pursuant to subpart K of part 22 of the Commission's regulations (47 C.F.R. 22.901 et seq.) shall not be considered to be telephone exchange services.

(B) Failure to request access.—A Bell operating company meets the requirements of this subparagraph if, after 10 months after the date of enactment of the Telecommunications Act of 1996, no such provider has requested the access and interconnection described in subparagraph (A) before the date which is 3 months before the date the company makes its application under subsection (d)(1), and a statement of the terms and conditions that the company generally offers to provide such access and interconnection has been approved or permitted to take effect by the State commission under section 252(f). For purposes of this subparagraph, a Bell operating company shall be considered not to have received any request for access and interconnection if the State commission of such State certifies that the only provider or providers making such a request have (i) failed to negotiate in good faith as required by section 252, or (ii) violated the terms of an agreement approved under section 252 by the provider's failure to comply, within a reasonable period of time, with the implementation schedule contained in such agreement. (Emphasis added).

At the present time, AM currently has three applications pending before the MPSC pursuant to § 252 which seek approval of binding negotiated interconnection agreements with licensed basic local exchange carriers - MFS (U-11098), Brooks (U-11178) and USN (U-11182). Section 302(1)(a) of the Michigan Telecommunications Act (MTA) requires licensed providers to serve all persons, business and residential, in the territory covered by the license. Also pending before the MPSC are arbitration cases between Ameritech and AT&T (U-11151 and U-11152), MCI (U-11168), Sprint (U-11203) and TCG (U-11138). These four cases involve basic local exchange carriers

who have been licensed or have a license application pending to provide basic local exchange service.

Under the provision of Track A, there appears to be a number of providers which will have either negotiated or arbitrated interconnection agreements to provide service to both residential and business customers. Further it is Staff's understanding that Brooks and MFS are providing some facilities based local service. AT&T and MCI have indicated in their applications for basic local exchange licenses that they intend to ultimately provide facilities based service. By virtue of the three applications for approval of negotiated interconnection agreements and the four pending arbitrations, it appears Ameritech is pursuing Track A under FTA, § 271.

Under FTA, § 271, there is no linkage between Track A or Track B. In addition, Track A and Track B are mutually exclusive by virtue of the specific language of § 271. It states:

> A Bell operating company meets the requirements of the paragraph if it meets the requirements of subparagraph A [Track A] or subparagraph B [Track B]. (FTA, § 271(c)(1)). (Emphasis added).

With no linkage between Tracks A and B, and Ameritech's actions under Track A, Ameritech has no authority to simultaneously pursue Track B. Subsequently a statement pursuant to § 252(f) is unnecessary and in fact not permitted. Under FTA, § 271(d)(3), the FCC is limited to certain considerations when making a determination on granting interLATA authority. Again the FTA requires FCC action on either Track A [§ 271(d)(3)(A)(i)] or Track B.

[§ 271(d)(3)(A)(ii)].

Only if it is assumed that Ameritech can simultaneously pursue Track A and Track B do the provisions of § 252(f) for the statement of generally available terms and conditions come into play. This section provides as follows:

> (f) STATEMENTS OF GENERALLY AVAILABLE TERMS.—
>
> (1) IN GENERAL.—A Bell operating company **may** prepare and file with a State commission **a statement of the terms and conditions that such company generally offers within that State to comply with the requirements of section 251** and the regulations thereunder and the standards applicable under this section.
>
> (2) STATE COMMISSION REVIEW.—A State commission may not approve such statement unless such statement complies with subsection (d) of this section and section 251 and the regulations thereunder. Except as provided in section 253, **nothing in this section shall prohibit a State commission from establishing or enforcing other requirements of State law in its review of such statement**, including requiring compliance with intrastate telecommunications service quality standards or requirements. (Emphasis added).

Ameritech claims it offers the items the statement identified. It should be pointed out that in order to offer interconnection service or elements, AM must comply with Michigan law and MPSC action. Specifically, FTA, § 252 provides, in part, as follows:

> (d) PRICING STANDARDS.—
>
> (1) INTERCONNECTION AND NETWORK ELEMENT CHARGES.—Determinations by a State commission of the just and reasonable rate for the interconnection of facilities and equipment for purposes of subsection (c)(2) of section 251, and the just and reasonable rate for network elements for purposes of subsection (c)(3) of such section—
>
> (A) shall be—
>
> (i) based on the cost (determined without reference to a rate-of-return or other rate-based proceeding) of providing the interconnection or network element (whichever is applicable),